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SERVICE DATE – SEPTEMBER 30, 2005

SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 29910 (Sub-No. 1)

D&I RAILROAD COMPANY–NOTICE OF INTERIM TRAIL USE AND
TERMINATION OF MODIFIED RAIL CERTIFICATE

Decided: September 29, 2005

In D&I Railroad Co.–Operation–Between Sioux Falls, SD, and Sioux City, IA–Modified Rail Certificate, Finance Docket No. 29910 (ICC served May 4, 1982), D&I Railroad Co. (D&I) was issued a modified certificate of public convenience and necessity (modified certificate) under 49 CFR 1150, subpart C, to operate approximately 97 miles of rail line owned by the State of South Dakota between Sioux Falls, SD, and Sioux City, IA.

On October 6, 2004, a decision and notice of interim trail use or abandonment (NITU) was served authorizing a 180-day period for the South Dakota Department of Transportation (SDDOT) to negotiate an interim trail use/rail banking agreement with D&I for the Sioux Falls segment of the rail line.¹ The negotiating period under the NITU was scheduled to expire April 4, 2005, but was extended to October 1, 2005, by decision served April 4, 2005.

On September 23, 2005, D&I and SDDOT jointly filed a motion to extend the negotiating period for an additional 180 days. The parties state that the negotiations to reach an agreement for interim trail use/rail banking are currently continuing in good faith, but that more time is needed to finalize negotiations.

Where, as here, the carrier is willing to continue trail use negotiations, the negotiating period may be extended. An extension of the negotiating period will promote the establishment of trails and rail banking consistent with the National Trails System Act, 16 U.S.C. 1247(d).² Accordingly, the NITU negotiating period will be extended for an additional 180 days from October 1, 2005, until March 30, 2006.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

¹ The Sioux Falls segment extends 1.38 miles between milepost 70.1 (near East 11th Street) and milepost 71.48 (East Junction) in Sioux Falls.

² See Rail Abandonments–Supplemental Trails Act Procedures, 4 I.C.C.2d 152, 157-58 (1987).

It is ordered:

1. The joint motion of D&I and SDDOT to extend the NITU negotiating period is granted.
2. The negotiating period under the NITU is extended for 180 days until March 30, 2006.
3. This decision is effective on the date of service.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams
Secretary